

## Article - Environment

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§4-411.

(a) (1) In this section the following words have the meanings indicated.

(2) “Barrel” means any measure of petroleum products or its by-products which consists of 42.0 U.S. gallons of liquid measure.

(3) “Fund” means the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund.

(4) “Transfer” means the offloading or onloading of oil in the State from or to any commercial vessel, barge, tank truck, tank car, pipeline, or any other means used for transporting oil.

(b) A person other than a vessel or barge may not transfer oil in the State without a license.

(c) (1) A license required under this section shall be secured from the Department of the Environment subject to the terms and conditions set forth in this section. The fee on any barrel shall be imposed only once, at the point of first transfer in the State. The license fee shall be:

(i) Credited to the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund and based on:

1. Before July 1, 2021, a 7.75 cents per barrel fee for oil transferred in the State; and

2. On or after July 1, 2021, a 5 cents per barrel fee for oil transferred in the State; and

(ii) Until July 1, 2021, based on an additional 0.25 cent per barrel fee for oil transferred in the State and credited to the Oil Contaminated Site Environmental Cleanup Fund as described in Subtitle 7 of this title.

(2) The license fee shall be paid quarterly to the Department and on receipt by the Comptroller, credited to the proper fund. The licensee shall certify to the Department, on forms as may be prescribed by the Department, the number of barrels of oil transferred by the licensee during the fee quarter no later than the last

day of the month following the fee quarter. These records shall be kept confidential by the Department.

(3) When the balance in the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund from the monthly license fees paid under paragraph (1)(i) of this subsection into the Fund equals or exceeds a maximum limit of \$5,000,000, collection of subsequent monthly license fees under paragraph (1)(i) of this subsection shall be abated until:

(i) The balance in the Fund from the license fees becomes less than or equal to \$4,000,000; or

(ii) There is evidence that the balance in the Fund could be significantly reduced by the recent occurrence of a major discharge or series of discharges.

(4) If a licensee fails to remit the fee and accompanying certification required by this section, the amount of the license fee due shall be determined by the Department from information as may be available. Notice of this determination shall be given to the licensee liable for payment of the license fee. The determination shall finally and irrevocably fix the fee unless the licensee against whom it is assessed, within 30 days after receiving notice of the determination, shall apply to the Department for a hearing or unless the Department, on its own, shall redetermine the fee.

(5) The Department shall promulgate rules and regulations, establish audit procedures for the audit of licensees, and prescribe and publish forms as may be necessary to effectuate the purposes of this section.

(d) As a condition precedent to the issuance or renewal of a license, the Department shall require satisfactory evidence that the applicant has implemented or is in the process of implementing State and federal plans and regulations to control pollution related to oil, petroleum products, and their by-products and the abatement thereof when a discharge occurs.

(e) Any person who violates subsection (b) or subsection (c) of this section is guilty of a misdemeanor and upon conviction in a court of competent jurisdiction is subject to a fine not exceeding \$10,000 plus any accrued but unpaid license fees.

(f) (1) There is a Maryland Oil Disaster Containment, Clean-Up and Contingency Fund for the Department to use to develop equipment, personnel, and plans; for contingency actions to respond to, contain, clean-up, and remove from the land and waters of the State discharges of oil, petroleum products, and their by-products into, upon, or adjacent to the waters of the State; and restore natural

resources damaged by discharges. The Fund may also be used by the Department for oil-related activities in water pollution control programs. The cost of containment, clean-up, removal, and restoration, including attorneys' fees and litigation costs, shall be reimbursed to the State by the person responsible for the discharge. The reimbursement shall be credited to the Fund. The Fund shall be limited in accordance with the limits set forth in this section. To this sum shall be credited every license fee, fine, if imposed by the circuit court for any county, and any other charge related to this subtitle. To this Fund shall be charged every expense the Department of the Environment has which relates to this section.

(2) Notwithstanding any other provision of this section, in fiscal years 2019, 2020, and 2021 only, the Fund may be used to pay costs associated with the purposes of the Oil Contaminated Site Environmental Cleanup Fund specified in § 4-704 of this title.

(g) Money in the Fund not needed currently to meet the Department of the Environment's obligations in the exercise of its responsibility under this section shall be deposited with the State Treasurer to the credit of the Fund, and may be invested as provided by law. Interest received on the investment shall be credited to the Fund. The Secretary of the Environment shall determine the proper allocation of the money credited to the Fund only for the following purposes:

(1) Administrative expenses, personnel expenses, and equipment costs of the Department related to the purposes of this section;

(2) Prevention, control, containment, clean-up, and removal of discharges into, upon, or adjacent to waters of the State of discharges of oil, petroleum products and their by-products, and the restoration of natural resources damaged by such discharges;

(3) Development of containment and clean-up equipment, plans, and procedures in accordance with the purposes of this section;

(4) Paying insurance costs by the State to extend or implement the benefits of the Fund;

(5) Expenses related to oil-related activities in the Department's water pollution control programs; and

(6) In fiscal years 2019, 2020, and 2021 only, paying costs associated with the purposes of the Oil Contaminated Site Environmental Cleanup Fund specified in § 4-704 of this title.

(h) The Department shall provide the standing committees of the Maryland General Assembly with primary jurisdiction over this section with a status report on the Fund on or before January 1 of each year in accordance with § 2–1257 of the State Government Article. The report shall include an accounting of all money expended for each of the purposes specified in subsection (g) of this section.

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